

DARLINGTON SCHOOLS FORUM

18th May 2021

ITEM NO 4

BUDGET UPDATE 2020/21

Purpose of Report

1. To update Forum regarding the final 2020/21 budget position.

Background

2. School Forum was notified at their March 2021 meeting of a Dedicated School Grant (DSG) budget of £19,412,641. This budget has not changed, except for a rounding of £1 for actual grant received.
3. School Forum was notified at their March 2021 meeting that the budget was forecast to be overspent by £600,855 in year, the overspend all arising from high needs pressures.
4. School Forum was notified at their March 2021 meeting that after the brought forward overspend from 2019/20 was included, the overall DSG was projected to be in deficit of £5,395,263.

Budget Position

5. Appendix 1 shows the final spend against the budget for 2020/21. The key changes in budget variances from those highlighted at the March meeting are detailed within the following paragraphs.
 - a. The schools block, final expenditure was approximately £16,000 more underspent than projected. This increased resulted from lower growth payments in the spring term.
 - b. The central schools block final expenditure was approximately £10,000 more underspent than projected. This resulted from small changes in the union facilities, PFI and admissions budgets.
 - c. The high needs block final expenditure was approximately £11,000 less overspent than projected. This small decreased mainly resulted from,
 - i. Independent/Out of Area budgets approximately £91,000 less overspent, as pupils were transferred to the post 16 budget, offset by changes to existing placements.
 - ii. Post 16 budget approximately £151,000 more overspent than projected due to moves from the independent/out of area budget and pupils remaining in placements longer than originally estimated.
 - iii. Other SEN/Alternative provision, approximately £38,000 less overspent due to changes to placements and placements ending

Central Schools Block

14. The central schools block position for 2020/21 was an underspend of £50,131, of which £40,293 was from the PFI budget. It is proposed that this funding be rolled forward and added to the central schools block reserve for future years. The overall central schools block reserve therefore sits at £115,286, once the PFI brought forward figure is added.
15. This funding is to be used to smooth the reduction in the historic central schools block over future years.

High Needs

16. The high needs budget overspent by £812,125 in 2020/21, which when added to the brought forward deficit from 2019/20 provides an overall high needs deficit of £5,997,888.
17. This overspend is required by the DfE to be recovered through future years DSG in line with the high needs recovery plan.
18. The high needs recovery plan has been updated for the final 2020/21 outturn figure (agenda item 5), which is £11,068 less than projected. This change, therefore makes limited impact upon the recovery plan.
19. Forum are provided with updates to the high needs recovery plan at all future meetings.

Recommendations

20. That Forum notes the year end budget position.
21. That Forum approves the carry forward budgets from 2020/21 to 2021/22 as detailed in paragraphs 8 to 19.

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